



2010 SPECIAL SESSION: DAY 29

April 12, 2010

Dear Kitchen Cabinet members,

We worked on Saturday and passed just two bills before being sent home after two hours. The good news is that it looks like the 2010 special session will be coming to an end after the majority party passes its tax increase bill and compromise budget proposal. And by compromise, I mean between House and Senate Democrats. Republicans were not welcome at the negotiating table. So as the special session comes to a close, **the cost to taxpayers stands at more than more than \$200,000.**



Ruining Washington's bond rating

One of the proposals still being considered is [House Bill 2561](#) which purports to "catalyze" energy savings and repair work at public schools, state colleges and universities, and other public buildings. **However it does this by authorizing the state finance committee to issue general obligation bonds.**

The fiscal note from State Treasurer's Office on this bill says that "the increased general obligation bond issuance potentially raises the cost of all capital funding by the state as **the state's bond rating would likely suffer** from additional debt of this magnitude."

It goes on to say that "Washington's per capita debt load is now roughly twice the national average, and that the supplemental capital budget includes a "debt affordability" study, recognizing implicitly that **the state's debt obligations are a growing concern**. Finally, [this document](#) shows in two worksheets how debt service growth has been increasing at a much faster rate than education

spending over the last twelve years. The additional bond issuance under HB 2561 will require even more of the operating budget be dedicated to debt service.

If the bill is approved by voters in November, it would cost more than half a billion dollars and be paid off over 25 years at about 30 million a year. The proposal to pay for it comes from making a temporary tax on bottled water permanent. **At the rate the majority party is spending your tax dollars, I believe there is little chance any of these “temporary” taxes remain that way.**

New fees from the Secretary of State

[House Bill 2576](#) would revise various fee provisions in statutes governing corporations and other programs administered by the Office of the Secretary of State. It would also raise various fees for registrations under the Charitable Organizations Act and direct the increased fee revenue to be deposited in the Charitable Organization Education Account, and expand the purposes for which the Secretary of State's Revolving Fund may be used and directs additional fee revenue into the fund.

Some of the fees being increased here would go up by as much as 400%...now I'm sure everyone understands that these tough economic times require some agencies to raise their fees, but three and four hundred percent increases for charitable organizations is exorbitant. I believe these are just new ways for government to crawl into your pocket which is why I voted no.

In closing...

If you know someone in our district who might be interested in receiving these updates, please feel free to forward this e-mail to him or her.

You can always find information online by visiting my website at

www.SenateRepublicans.wa.gov/Carrell.

As always, if you'd like to contact me you can write, phone, e-mail, or stop by my Olympia office. My office phone number is (360) 786-7654, and my home phone number is (253) 581-2859. Or you can write me at **102 Irv Newhouse Building, P.O. Box 40428, Olympia, WA 98504-0428.**



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Sincerely,

A handwritten signature in black ink that reads "Mike". The letters are cursive and fluid, with a small dot above the 'i'.

Mike Carrell

28th District State Senator